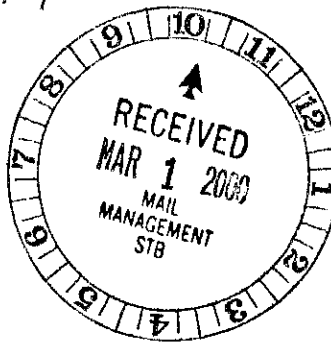




CONSOL ENERGY™

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RONALD J. FLORJANCIC
Executive Vice President - Marketing

February 29, 2000

Mr. Vernon A. Williams
Surface Transportation Board
Office of the Secretary
Case Control Unit
Attn: STB Ex Parte No. 592
1925 K Street, N.W.
Washington, DC 20423-0001

MAR 01 2000

Dear Secretary:

RE: STB Ex Parte No. 582
Public Views on Major Rail Consolidations

Please find enclosed the written submittal from CONSOL Inc. in compliance with the instructions for subject hearings. Please note that we will not be sending a representative to speak at the hearings themselves. As such, please make this submittal part of the formal proceeding record.

Please contact me with any questions on this matter.

Sincerely,


R. J. Florjancic

RJF:jg

Public Views on Major Rail Consolidations
STB Ex Parte No. 582

Summary

CONSOL Inc. hereby submits its views on the subject of Major Rail Consolidations as considered by the Surface Transportation Board. In general, CONSOL Inc. is opposed to any actions that may result in a further reduction in the number of major competing rail carriers. This position is based on our belief that a competitive rail industry must have sufficient diversity in carrier service providers to afford the shipping community efficient and economical transportation alternatives.

Recent Rail Consolidations

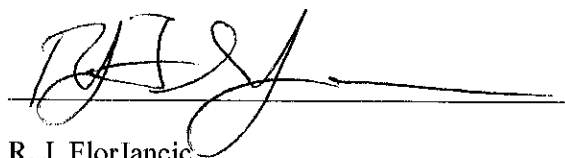
As with most eastern shippers, CONSOL Inc. has experienced the negative impacts of the recent Conrail merger. The difficult transition that is being experienced by both Norfolk Southern and CSX Transportation are indications of the difficulties associated with major rail consolidations. We suggest that cautious evaluation be given to any decisions that may lead to further consolidations while the current merger is still experiencing difficulties.

Future Consolidations

CONSOL Inc. is specifically opposed to further reductions in the number of major rail carriers. We believe that the major carriers should focus their resources on the existing infrastructure and service challenges facing their industry. Further, we hope that the Surface Transportation Board would carefully analyze the impact on competitiveness of further reductions in rail alternatives to the shipping community.

Areas of Concern

Looking to the future, we are concerned about several key issues. First, we are anxious to see the existing rail carriers complete their proposed improvements to service and infrastructure. Second, we suggest that the rail industry review the recent major consolidations to determine their impact on the financial health of the carriers themselves. Finally, we ask that the Surface Transportation Board resist any move that will lessen the competitive forces on rail rates.

A handwritten signature in black ink, appearing to read 'R. J. Florjancic', is written over a horizontal line.

R. J. Florjancic
Executive Vice President
CONSOL Inc.